

Message Text

LIMITED OFFICIAL USE POSS DUPE

PAGE 01 EC BRU 02753 172019 Z

67

ACTION EUR-25

INFO OCT-01 AF-10 NEA-10 IO-12 ADP-00 AGR-20 AID-20 CEA-02

CIAE-00 COME-00 EB-11 FRB-02 INR-10 NSAE-00 RSC-01

CIEP-02 STR-08 TRSE-00 LAB-06 SIL-01 OMB-01 L-03

TAR-02 RSR-01 /148 W

----- 093419

R 171740 Z MAY 73

FM USMISSION EC BRUSSELS

TO SECSTATE WASHDC 5232

INFO AMEMBASSY AMMAN

AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY BEIRUT

AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMEMBASSY MADRID

AMEMBASSY NICOSIA

AMEMBASSY PARIS

AMEMBASSY RABAT

AMEMBASSY ROME

AMEMBASSY TEL AVIV

AMEMBASSY VALLETA

USMISSION GENEVA

USMISSION OECD PARIS

USINT ALGIERS

USINT CAIRO

LIMITED OFFICIAL USE EC BRUSSELS 2753

EO 11652 NA

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 EC BRU 02753 172019 Z

TAGS/ ETRD, EEC

SUB: MAY 14-15 EC COUNCIL: MEDITERRANEAN POLICY

REFS: A. EC BRUSSELS 2679 (NOTAL)

B. EC BRUSSELS 2692 (NOTAL)

C. EC BRUSSELS 2727 (NOTAL)

D. EC BRUSSELS 2684 (NOTAL)

1. SUMMARY: THE EC COUNCIL OF MINISTERS DISCUSSED THE QUESTION OF MEDITERRANEAN POLICY AT ITS MAY 14-15 MEETING BUT MADE VERY LITTLE HEADWAY IN DEVELOPING MANDATES FOR NEGOTIATIONS WITH THE MAGHREB COUNTRIES, MALTA, SPAIN AND ISRAEL. THE QUESTION WILL BE DISCUSSED AGAIN AT THE JUNE 4-5 COUNCIL MEETING. END SUMMARY.

2. THE MAIN FOCUS OF ATTENTION DURING THE COUNCIL'S DISCUSSION OF MEDITERRANEAN POLICY WAS ON THE QUESTION OF AGRICULTURAL CONCESSIONS. DISAGREEMENT AMONG THE MEMBER STATES ON THIS SUBJECT HAS EFFECTIVELY BLOCKED SUBSTANTIVE PROGRESS IN THE PREPARATION OF NEGOTIATING MANDATES WITH THE COUNTRIES CITED ABOVE. ON MAY 14, THE FOREIGN MINISTERS MET BRIEFLY WITH THEIR AGRICULTURAL COLLEAGUES, WHO WERE MEETING CONCURRENTLY IN BRUSSELS, AND ASKED THEM TO TRY TO SETTLE THOSE ASPECTS OF THE COMMISSION'S MINIMUM PRICE PROPOSALS WHICH DIRECTLY AFFECT THE MEDITERRANEAN COUNTRIES. THE AGRICULTURAL MINISTERS-- APPARENTLY WITH SOME FEELING-- REFUSED TO BE HURRIED ON THIS SUBJECT OR TO ADJUST THE AGENDA OF THEIR OWN MEETING. ON TUESDAY, THEY PROMISED ONLY THAT THE SPECIAL AGRICULTURAL COMMITTEE WOULD TAKE UP THE SUBJECT WITH THE GOAL OF REPORTING TO THE NEXT COUNCIL (FOREIGN MINISTERS) MEETING SCHEDULED FOR JUNE 4-5. THEY ALSO AGREED TO MEET FOR A FURTHER DISCUSSION OF THIS SUBJECT AMONG THEMSELVES AND JOINTLY WITH THE FOREIGN MINISTERS ON JUNE 5. THE COMMISSION DIRECTORATE GENERAL FOR AGRICULTURE IS NOW EXPECTED TO PREPARE NEW PROPOSALS FOR THE SPECIAL AGRICULTURAL COMMITTEE TAKING INTO CONSIDERATION BOTH AN ITALIAN MEMORANDUM (SEE REFS C AND D AND FOLLOWING PARAGRAPH) AS WELL AS PREVIOUS DISCUSSIONS OF THE COMMISSION'S FRUIT AND VEGETABLE PROPOSAL. SOURCES IN THE COMMISSION'S DIRECTORATE

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 EC BRU 02753 172019 Z

GENERAL FOR EXTERNAL RELATIONS ARE SOMEWHAT DISTURBED THAT THIS PAPER WILL BE PRODUCED BY THE COMMISSION'S AGRICULTURAL STAFF ALONE AND MAY NOT TAKE INTO CONSIDERATION THE POLITICAL IMPLICATIONS INVOLVED.

3. AS NOTED ABOVE, DURING THE COUNCIL DELIBERATIONS, THE ITALIANS PRESENTED THEIR POSITION ON THE COMMISSION RECOMMENDATIONS REGARDING AGRICULTURAL CONCESSIONS FOR THE MEDITERRANEAN COUNTRIES AND DIS-

TRIBUTED A MEMORANDUM OUTLINING THEIR VIEWS.
THE ITALIANS REJECTED THE COMMISSION' S MINMUM PRICE PROPOSALS AND PUT FOWARD NEW SUGGESTIONS AIMED AT PROTECTING ITALIAN PRODUCERS BY INCREASING MARKETING PREMIUMS AND REFERENCE PRICES.

4. THIS IS SEEN BY SOME OF OUR SOURCES AS A MOVE TOWARD DEFICIENCY PAYMENTS. (AT LEAST ONE SOURCE TOLD US THAT HIS INITAL " BACK OF THE ENVELOPE" CALCULATIONS INDICATED THAT THE ITALIAN PROPOSALS MIGHT COST THE COMMUNITY 30 MILLION UNITS OF ACCOUNT PER YEAR.) MOST OFFICIALS HERE LOOK UPON THE ITALIAN PAPER AS AN INITIAL NEGOTIATING POSITION ON THIS ISSUE. THE MINMUM IMPORT PROPOSALS, HOWEVER, REMAIN UP IN THE AIR BECAUSE SEVERAL OTHER DELEGATIONS, FOR THEIR OWN REASONS (E. G., INFLATIONARY IMPACT, INTERFERENCE IN MARKET MECHANISMS, UNWORKABILITY IN THE MEDITERRANEAN COUNTRIES) HAVE ALREADY OBJECTED TO THE SYSTEM PROPOSED BY THE COMMISSION.

5. IN THE INDUSTRIAL FIELD, THE COUNCIL DISCUSSION WAS PRIMARILY DEVOTED TO THE QUESTION OF CONCESSIONS FOR REFINED PETROLEUM PRODUCTS. IT WAS SOMEWHAT HAMPERED BY THE NEED TO WAIT FOR THE RESULTS OF THE FORTHCOMING MAY 22 EC COUNCIL MEETING ON ENERGY. ONE QUESTION FOR WHICH GUIDANCE IS NEEDED IN THE CONTEXT OF MEDITERRANEAN POLICY IS THE LINK BETWEEN CONCESSIONS ON IMPORTS OF REFINED PRODUCTS WITH CRUDE SUPPLY GUARANTEES-- PARTICULARLY WITH REGARD TO ALGERIA. THE COMMISSION HAS BEEN DIRECTED TO SOUND OUT THE ALGERIANS ON THIS SCORE BASED ON EARLIER INDICATIONS BY THE ALGERIANS THAT THEY ARE PREPARED UNDER CERTAIN CIRCUMSTANCES TO LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 04 EC BRU 02753 172019 Z

MAKE SUCH A GUARANTEE. ANOTHER QUESTION YET TO BE SETTLED IS THE FORM OF ANY TARIFF CONCESSIONS THAT MIGHT BE GRANTED FOR REFINED POL PRODUCTS, E. G., QUOTAS, CEILINGS, SURVEILLANCE SYSTEM.

6. ALSO, IN THE INDUSTRIAL FIELD, HOW OTHER SENSITIVE PRODUCTS ARE TO BE HANDLED NEEDS TO BE SETTLED. OUR PERM REP SOURCES SEEM HOPEFUL THAT THE VERIOUS MEMBER STATE LISTS OF SENSITIVE PRODUCTS CAN BE RECONCILED AND APPROPRIATE SAFEGUARD MEASURES AGREED TO WITHOUT REFERRING THIS SUBJECT TO THE COUNCIL. WE HAVE BEEN TOLD, HOWEVER, THAT BOTH ISRAEL AND SPAIN HAVE COMPLAINED THAT THE PROPOSED SENSITIVE PRODUCT LISTS ARE MUCH TOO LONG. IN THE CASE OF ISRAEL, THE ISRAELIS CLAIM THAT UNDER THESE PROPOSALS 70 PERCENT OF THEIR EXPORTS TO THE COMMUNITY WOULD BE AFFECTED BY SOME FORM OF SAFEGUARD MEASURE.

7. LITTLE PROGRESS WAS MADE DURING THE COUNCIL
MEETING IN THE DISCUSSION OF COOPERATION POLICY. THE
BELGIAN CHAIRMAN ATTEMPTED, BUT FAILED, TO BREAK THE
LINK WHICH HAS EXISTED BETWEEN THE DISCUSSION OF
COOPERATION POLICY IN THE MEDITERRANEAN CONTEXT AND THE
AD HOC STUDY ON THE COMMUNITY' S OVER
E E E E E E

*** Current Handling Restrictions *** n/a

*** Current Classification *** LIMITED OFFICIAL USE

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 17 MAY 1973
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: boyleja
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1973ECBRU02753
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: n/a
Errors: n/a
Film Number: n/a
From: EC BRUSSELS
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1973/newtext/t19730547/aaaajjaw.tel
Line Count: 175
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: A.EC BRUSSELS 2679 (NOTAL), B.EC BRUSSELS 2692 (NOTAL), C.EC BRUSSELS 2727 (NOTAL), D.EC BRUSSELS 2684 (NOTAL)
Review Action: RELEASED, APPROVED
Review Authority: boyleja
Review Comment: n/a
Review Content Flags: ANOMALY
Review Date: 09 AUG 2001
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09-Aug-2001 by shawdg>; APPROVED <11-Sep-2001 by boyleja>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: <DBA CORRECTED> mcm 980218
Subject: MAY 14-15 EC COUNCIL: MEDITERRANEAN POLICY
TAGS: ETRD, EEC
To: AMMAN
ANKARA
ATHENS
BEIRUT
BONN
BRUSSELS

COPENHAGEN

EUR

SECSTATE WASHDC

Type: TE

Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005